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# Congress of the United States

## U.S. House of Representatives

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September 21, 2010

Mr. Leo Gerard  
President, United Steelworkers  
Five Gateway Center  
Pittsburgh, Pennsylvania 15222

Dear Mr. Gerard:

Please provide answers to the following questions for the record from the 9/15/2010  
Ways and Means hearing on China's Exchange Rate Policy:

### **Questions from Representative Bob Etheridge (NC-02) (3)**

Mr. Gerard, we are in the middle of hurricane season, and North Carolina is not only a prime target for hurricanes, but also a prime target for what you refer to as "a decade of economic tsunamis that have hit the workers and employers in manufacturing." U.S. manufacturing has been hit hard by unfair trade practices, and the textile mills in my district are some of the biggest victims. How is a textile mill in my district supposed to compete against a currency that manipulates its currency?

Let's use China as an example since their exchange rate is the focus of today's hearing. China's textile and apparel industry is state sponsored and heavily subsidized, at last count China offered the textile and apparel industry 63 subsidies that the domestic industry has been able to identify, there could be more. So the currency manipulation is only one--perhaps the most blatant-but just one subsidy for Chinese textiles.

How are textile mills in my district that do not have the same state sponsored advantages supposed to compete? How can you expect these mills to remain in business, keep workers employed, add more jobs and make a profit?